

EXTENSION APPLICATION
FOR

NORTH SHELBY WATER COMPANY

RECEIVED
JAN 16 2001
PUBLIC SERVICE
COMMISSION

APPLICANT(S): Shelby Fiscal Court

(Address)

(Phone No.)

NOTE: All Applicants must sign

AREA TO BE SERVED: Cedarmore Road

SERVICE APPLIED FOR: Distribution Line Extension X
Distribution Flush Hydrant X
Distribution Upgrading _____
Distribution Relocation _____
Other (describe) _____

ESTIMATES: Estimated Water Line Size 6 & 8-inch
Estimated Project Cost \$136,764.60
Estimated Footage 9,880 feet
Other (describe) _____

EXHIBITS: Map or plat showing streets,
lots, buildings, proposed
service route, and easements,
a copy of which is attached
hereto and made a part hereof,
and marked "Exhibit A" for
identification Construction Estimate
Other (describe) _____

CONSTRUCTION COMMENTS: This extension will begin as an 8-inch line connecting to North Shelby's existing 8-inch line on the property of Kentucky Baptist Assemblies, Inc., and extend to Scrabble Road, where it will change to a 6-inch water line and continue to the northwest property boundary of William Raisor. Shelby Fiscal Court will contribute \$101,454.00 toward this project and North Shelby will pay all project costs exceeding that amount.

AGREEMENT:

1. Applicant(s) applies for a water line extension upon the terms and conditions set forth in this contract.

2. Applicant(s) agrees to obtain and provide, without cost to the Company, all properly signed recordable easements required by the Company for the installation and maintenance of the Company's water transmission or distribution lines, existing and future. If Applicant(s) cannot obtain easements on property other than Applicant's, the Company will obtain those easements at Applicant's cost, which is not included in the estimate.

3. The water facilities constructed hereunder shall at all times be owned and maintained by the Company. The Company shall have the right to extend the facilities without compensation to Applicant(s) or the consent of Applicant(s). The Company shall have the right to make service connections thereto without the consent of Applicant(s), and subject to the Public Service Commission Construction rebate agreement as hereinafter provided.

4. Upon approval by the Company's engineer, manager, and board of directors, the manager and engineer will design and make a cost estimate of the project. Applicant(s) shall prior to construction, make a deposit to the Company's escrow construction account of the sum of \$101,454.00. If the actual construction cost exceeds the estimate, the Company will promptly refund the difference.

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SECTION 9(1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

If the actual construction cost is less than \$101,454.00, the Company will refund to Applicant(s) any overpayment plus interest at the rate of 6% per annum on the amount of the excess deposit for the period beginning 90 days after completion of all construction, installation and servicing work in connection with the project and ending with the date of payment of refund.

5. Applicant(s) acknowledges that the project cost will include the Company's reasonable supervision, engineering, legal and accounting charges attributable to this project

6. All projects having estimated construction costs exceeding \$25,000.00 shall be bid unless waived by the Applicant. All smaller projects, and all projects where bidding is waived by the Applicant, will be constructed by the Company or the Company's contractor. All contractors will sign the Company's standard construction contract.

The Applicant(s): _____ Waives the right to have this project bid even though the estimated cost exceeds \$25,000.00.

7. All construction, labor and materials must be in accordance with the Company's specifications. A payment and performance bond will be required.

8. The facilities will be constructed in accordance with "Exhibit A." If there is no "Exhibit A" to this contract, the extension will be constructed within the Company's easements upon Applicant's property. Under no circumstances will construction begin on Applicant's property until Applicant(s) has granted Company all necessary and proper recorded easements.

9. The Company agrees that it will perform its obligations under this contract with reasonable diligence, and that construction will begin as soon as reasonably possible. In the event that the construction called for by this contract cannot begin within 6 months from the date of this contract, then either the Company or all of the Applicant(s) may terminate this agreement by written notice to the other at which time the Company will refund the deposit less any cost incurred.

10. This agreement shall be valid and binding on the Company only when executed by its President. Any deposit made with this application prior to such signature shall not be construed as an acceptance hereof.

11. The Company shall determine the total cost of the water main extension (exclusive of the tap on fee). Applicant does not desire service on the main extension.

For a period of ten years after the project has been completed and placed in service, each customer (other than those now living on Cedarmore Road) directly connected to that portion of the water main constructed under this agreement (but not including any future main extensions or customer connections thereto) will be required to contribute the sum of \$2,500.00 to the cost of that extension which will be refunded to the Company until it has been repaid in full for the Company contribute (except for the 50' rule contributions per customer), and then to Shelby Fiscal Court until it has been repaid in full. Any customers living on this portion of Cedarmore Road who apply for service ~~completed~~ shall not have to pay this \$2,500.00 contribution nor shall they participate in any ~~rebate~~ ~~participate~~.

Once the Company and Shelby Fiscal Court have been paid in full, each additional customer will still be required to contribute to the cost of that extension based on a recomputation of each customer's contribution as set out above. The Company must refund to those customers that have previously contributed ~~to the cost~~ of each main extension (but not including Shelby Fiscal Court) that amount necessary to reduce their contribution to the currently calculated amount for each customer connected to that extension.

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provided, however, that the total amount returned shall not exceed the original construction cost, without interest. Except as provided above, all customers directly connected to each main extension for a ten year period after it is placed in service are to contribute equally to the cost of the construction of the water main extension. In addition, each customer must pay the approved tap on fee applicable at the time of their application for the meter connection, which is not refundable and may be changed during the refund period. After the ten year refund period expires, any additional customer applying for service on this project main must be connected for the amount of the approved tap on fee only, and all or any part of the construction cost not refunded within said ten year period shall become the property of the Company. All refunds shall be made on an annual basis and without interest. In accordance with Shelby Fiscal Court rules, no rebates will be paid for any residents living, as of the date construction is completed, on that portion of Cedarmore Road where the line is to be constructed.

12. If any Applicant's account becomes delinquent, that Applicant agrees to pay the Company's attorney fees and costs incurred in collecting that account. Any delinquent account will accrue Twelve Percent (12%) interest. Venue for any action filed on this contract shall be in Shelby County, Kentucky.

13. Any notice given hereunder shall be deemed sufficient if in writing and sent by certified mail to Company at P.O. Box 97, Bagdad, Kentucky 40003, and to each Applicant at that Applicant's most recent billing address or, if none, then that Applicant's address as shown on this application.

14. The terms of this special extension agreement shall prevail over any of the Company's rules and regulations.

15. By signature hereon, Applicant(s) acknowledges that he/she has read the foregoing, received a copy thereof, agrees to be bound by same, and acknowledges that this is the entire agreement between the parties and that there are no oral agreements between the parties.

CORPORATE, LLC, PARTNERSHIP APPLICANT(S)

Date: 1-9-2001 Name: Shelby Fiscal Court
By: Bobby Stratton
Bobby Stratton, Shelby County
Judge/Executive

Date: 1-9-2001 NORTH SHELBY WATER COMPANY
By: Duncan LeCompte
Duncan LeCompte, President

* * *

FOR Company USE ONLY:

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OF KENTUCKY

Received this 11th day of November, 2000, EFFECTIVE
from Applicant(s) for Escrow Construction: \$101,454.00
Completed Cost of Project \$
Balance due from (to) Applicant(s) FEB 15 2001

Completed Footage of Project
Company Contribution (if any)
Shelby Fiscal Court Contribution (if any) SECTION 250.00

PURSUANT TO 807 KAR 5.011.
BY: Stephan Bell
SECRETARY OF THE COMMISSION

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form 8/9/00

CONSTRUCTION ESTIMATE

Estimate made from measurements taken by Russ Rose. No site visit was made.

Location: Cedarmore Road from Cedarmore to North Side of Six Mile Creek **Project No:** 00-17

Client Name: Judge Stratton **Date Prepared:** November 29, 2000
Client Address: Shelby County Courthouse **Client Phone:** 502-633-1220
Shelbyville, KY 40065 **Client Fax:**

Water Utility: North Shelby Water Company **Utility Phone:** 502-747-8942
Utility Address: P.O. Box 97 **Utility Fax:** 502-747-5048
Bagdad, KY 40003

Special Problems: Bypass Cedarmore meter **Number Of Tap-ons:** 4 or 5

ITEM NO.	SIZE	ITEM	AMOUNT	UNIT	UNIT PRICE	TOTAL PRICE
1	8-inch	PVC Pipe	2,120	L.F.	\$8.85	\$18,762.00
2	8-inch	Gate Valve and Box	2	EACH	\$800.00	\$1,600.00
3	8-inch	Road Bore	30	L.F.	\$80.00	\$2,400.00
4	6-inch	PVC Pipe	7,760	L.F.	\$6.85	\$53,156.00
5	6-inch	Gate Valve and Box	4	EACH	\$600.00	\$2,400.00
6		Stream Crossing	200	L.F.	\$180.00	\$36,000.00
7	4-inch	Blowoff Valve and Box	1	EACH	\$800.00	\$800.00
8		Crushed Stone	100	TONS	\$10.00	\$1,000.00
9		Class C Concrete	5	C.Y.	\$125.00	\$625.00
10		Site Videotaping	1	L.S.	\$200.00	\$200.00
11		Contingency, 5%	1	L.S.	\$6,246.60	\$6,246.60
						\$0.00
						\$0.00
						\$0.00

TOTAL CONSTRUCTION: \$123,189.60

DIVISION OF WATER PROCESSING FEE: \$150.00

ENGINEERING: \$9,675.00

INSPECTION: \$2,000.00

LEGAL \$100 PER EASEMENT +2%: \$1,750.00

TOTAL NON-CONSTRUCTION: \$13,575.00

TOTAL PROJECT: FEB 15 2001 \$136,764.60

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PURSUANT TO 807 KAR 501.1
SECTION 9 (1)

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